

**DRA REPORT ON REVIEW OF
ASSESSMENT PRACTICES
FOR MUNICIPALITY
OF**

BARTLETT

**For the Property Tax Year Beginning
APRIL 1, 2004**

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OBJECTIVE

Pursuant to RSA 21-J:11-a, the NH Legislature identified five areas of assessing practices for the commissioner of the Department of Revenue Administration (DRA) to review and report on:

- A. Whether the level of assessments and uniformity of assessments are within acceptable ranges as recommended by the assessing standards board by considering, where appropriate, an assessment-to-sales-ratio study conducted by the department for the municipality;**
- B. Whether assessment practices substantially comply with applicable statutes and rules;**
- C. Whether exemption and credit procedures substantially comply with applicable statutes and rules;**
- D. Whether assessments are based on reasonably accurate data; and,**
- E. Whether assessments of various types of properties are reasonably proportional to other types of properties within the municipality.**

DRA METHODOLOGY

EQUALIZATION STATISTICS

Each year the DRA conducts sales-to-ratio studies known as the Equalization Survey in accordance with procedures recommended by the Equalization Standards Board (ESB). These equalization statistics are used in this report to determine whether the level and uniformity of assessments are within acceptable ranges in accordance with guidelines established by the Assessing Standards Board (ASB).

SAMPLING

When a statistically valid sample is obtained, it is possible to determine, with a stipulated degree of confidence that the number of errors in the sample applies proportionally to the non-sampled portion as well. The department utilized the statistical sampling program of the US Office of Audit Services to determine the appropriate sample size of records to be examined.

TESTING

Department Review Appraisers examined the selected samples to determine if there was substantial compliance with applicable statutes and whether assessments of various types of properties were reasonably proportional to other types of properties within the municipality. Our determination and recommendations follow.

A. LEVEL AND UNIFORMITY OF ASSESSMENTS

ASB GUIDELINE: Level of assessments and uniformity of assessments are within acceptable ranges as recommended by the Assessing Standards Board by considering, where appropriate, an assessment-to-sales-ratio study conducted by the department for the municipality.

- A median ratio should be between 0.90 and 1.10 with a 90% confidence level in the year of the review.
- An overall coefficient of dispersion (COD) for the municipality's median ratio should not be greater than 20.0 without the use of a confidence interval.

DRA Methodology: To determine compliance with these guidelines, the DRA relied on statistics from the 2004 Equalization Survey. (See Appendix D, 2004 Assessment Review Summary.)

DRA Determination: The results of the 2004 NH Department of Revenue Administration Equalization Survey for Bartlett for April 1, 2004 are:

2004 Median Ratio with Confidence Range:	Low	Median	High
	81.4	83.4	85.5
2004 COD	14.8		

Bartlett meets the guidelines for uniformity of assessments, but does not meet the guidelines for level of assessment.

DRA Recommendation: Bartlett should revalue all properties to bring the level of assessments to meet Guidelines for 2005.

Municipality's Response: "The Town does an annual update each year, however, the real estate market is in such a boom, it is difficult to keep up with the market. However, there seems to be an inherent problem that will cause the Town to always be "behind" since the Equalization Ratio Survey covers the time period of October to September but the assessment period is as of April 1st. Until the same cutoff period is used, there will be no correlation. If we had used data up until Sept., we would have been in the 90 percentile but even with that, our COD still remains well within the guidelines."

B. ASSESSING PRACTICES

SHALL SUBSTANTIALLY COMPLY WITH APPLICABLE STATUTES AND RULES

B1. ASB GUIDELINE: All records of the municipality's assessor's office should be available to the public pursuant to RSA 91-A.

DRA Methodology: To determine whether all records of the assessor's office were available to the public, the DRA requested any written guidelines that Bartlett had that addressed this issue. Absent the existence of any written guidelines, the DRA then specifically asked the town

personnel what records were available to the public, and which specific records, if any, were not generally made available.

DRA Determination: Based upon our review and personal observation while working in the town, there is apparent evidence that the public is denied access to PA-29 Applications which are public documents. It appears that Bartlett does not meet the guidelines for public documents available to the public.

DRA Recommendation: The Town should make all PA-29 Applications available to the Public to comply with RSA 91-A and remove any paperwork that would include any confidential information.

Municipality's Response: "When requested, the Town does provide a list of Veterans, however, the application form (PA-29) is not made available to the public as it contains personal information although we do blackout serial numbers or other personal information on the forms and accompanying documents.. It is our understanding from workshops we have attended that this information is not public information but a list is acceptable. Information on Elderly Exemptions is not available to the public in any form and we feel this complies with State law."

B2. ASB GUIDELINE: Ninety-five percent of the property records in the sample reviewed by the DRA should reflect assessments of properties as of April 1, pursuant to RSA 74:1; and that a municipality should not assess parcels or new construction that did not exist as of April 1 of that tax year.

DRA Methodology: To determine if property records properly reflected values as of April 1, 2004, and that new parcels or new construction not in existence as of April 1, 2004, were not being assessed, the DRA selected a random sampling of properties to review.

DRA Determination: A review of these properties confirmed that in all cases the values did reflect new construction that existed as of April 1, 2004, and that there was no evidence that any new parcels or new construction that occurred after April 1, 2004, were being assessed for 2004. Based upon this review, it appears that Bartlett is in general compliance with this guideline.

DRA Recommendation: None

Municipality's Response: "No response necessary."

B.3. ASB GUIDELINE: A municipality should have a revised inventory program in place that addresses compliance with RSA 75:8, which provides that annually, and in accordance with state assessing guidelines; assessors and selectmen shall adjust assessments to reflect changes so that all assessments are reasonably proportional within the municipality.

DRA Methodology: To determine whether there was a revised inventory program in place, the DRA first requested any written guidelines that Bartlett had in this regard. Absent the existence of any written guidelines, the DRA reviewed the requirements under RSA 75:8 with the town personnel to determine the town's actual practice.

DRA Determination: Based upon our review in this area, and our conversation with the town personnel, the DRA has determined that Bartlett does not have a program in place, which, if adhered to, will result in the annual adjustment of assessments necessary to maintain reasonable proportionality among all properties. Based on our review, it appears that Bartlett is not in substantial compliance with this guideline.

DRA Recommendation: Bartlett should enter into a contract that ensures it has a revised inventory program in place that addresses compliance with RSA 75:8, which provides that annually, and in accordance with state assessing guidelines; assessors and selectmen shall adjust assessments to reflect changes so that all assessments are reasonably proportional within the municipality.

Municipality's Response: "The Town will be meeting with their assessing firm to determine a course of action. We will review our program of inspections, but we do believe our program of annually updating all areas in Town has resulted in all assessments being reasonably proportional within Town."

B.4. ASB GUIDELINE: In accordance with RSA 31:95-a, a municipality's tax maps should:

- a. Show the location of each property drawn to scale;
- b. Be updated annually; and
- c. Include an index of each parcel by the property owner's name and parcel identifier.

DRA Methodology: To determine the adequacy of the tax maps, the DRA selected a random sampling of properties. These properties were located on the town's tax maps, and reviewed to determine if they were in their proper location and drawn to scale. In addition, the DRA verified the existence of an annual map-updating contract, and the existence of current indexes by both owner's name and parcel identifier.

DRA Determination: Of the properties reviewed, not all were located properly, or drawn to the proper scale. In addition, acreage on the property record cards did not match the tax maps, map and lot numbers on the property record cards did not match the tax maps and two property record cards had different map and lot numbers than were on the map. Based upon this review of the tax maps, the DRA has determined that Bartlett appears not to be in substantial compliance with this guideline.

DRA Recommendation: The Town should update maps to ensure that they meet statutory and ASB guidelines for tax year 2005 and keep them updated annually.

Municipality's Response: "We realize our tax maps need updating and we will be doing so when our E911 mapping is complete. As an aside, while the law requires this, we are unsure of the correlation between an up to date tax map and fair and proportional assessments throughout Town."

B.5. ASB GUIDELINE: Eighty-five percent of the current use property records in the sample reviewed by the DRA should have:

- a. A timely filed Form A-10, Application for Current Use Assessment (RSA 79-A:5 and Cub 304);
- b. If applicable, a timely filed Form CU-12, Summary of Forest Stewardship Plan for Current Use Assessment (RSA 79-A:5 and Cub 304.03);
- c. Current use valuations assessed in accordance with Cub 304; and
- d. A procedure to determine, prior to July 1 of each year, if previously classified land has undergone a change in use for purposes of assessing the Land Use Change Tax (RSA 79-A:7).

DRA Methodology: To determine if current use properties were properly documented and valued, the DRA selected a random sampling of current use properties. The records for these properties were reviewed to determine if the appropriate Form A-10, Application for Current Use Assessment and Form CU-12, Summary of Forest Stewardship Plan for Current Use Assessment (if required) were on file. In addition, the current use values assigned to these properties were reviewed to insure that the assessments were within the valuation ranges established by the Current Use Board and consistent with Cub 304. The DRA also determined if Bartlett had a procedure in place to identify if previously classified current use land had undergone a change in use for the purpose of assessing the Land Use Change Tax.

DRA Determination: Based upon the DRA review of current use practices, 0% were found to meet the guideline criteria. In reviewing the Town's files, it appears that there are no forest stewardship plans in the files. The Town does not apply the ratio yearly. There are no matrix forms filed to show compliance with the CUB 304 rules and the Marlow Decision as all Forest Categories are being assessed the same rate per acre.. Applications indicate a recreation adjustment but none is being applied. The town does not remove non qualifying parcels from current use assessment nor do they assess any Land Use Change Tax penalties. Therefore it appears that Bartlett has not substantially complied with this guideline.

DRA Recommendation: The town should update their current use properties to comply with statutory and ASB guidelines for tax year 2005.

Municipality's Response: "We realize that we need to update our current use files and will be doing so with the help of Mary Pinkham Langer of your staff. While there was one property that escaped our review with regard to the Land Use Change Tax, we do vigorously collect this tax. It was a misunderstanding that because this property was originally placed in current use with a larger piece and only the ownership changed, that a LUCT was not due until a change occurred on this property. However, since it is now undersized and has new ownership, we will assess the LUCT. There were no "Forest Stewardship" plans because none of the parcels in current use are exercising that option. As an aside, legislation has been filed with regard to applying the Equalization Ratio to the current use values."

B.6. ASB GUIDELINE: In accordance with RSA 21-J:11, all appraisal service contracts or agreements in effect during the assessment review year for tax assessment purposes should:

- a. Be submitted to the DRA, prior to work commencing, as notification that appraisal work shall be done in the municipality; and
- b. Include the names of all personnel to be employed under the contract.

DRA Methodology: To determine if appraisal contracts or agreements in effect for 2004 had been submitted to the DRA, along with the names of all personnel to be employed under the contract, the DRA verified that the contracts and the list of personnel were in the town's permanent file in the DRA office.

DRA Determination: A review of the town's permanent file indicated that a signed copy of the 2004 appraisal contract was not submitted to DRA. Additionally, no list of personnel was submitted to the DRA and some of the personnel listed on the property record cards are not approved by the DRA. Based upon that verification, it appears that Bartlett is not in substantial compliance with this guideline.

DRA Recommendation: The Town should submit a signed contract along with qualified personnel who have been approved by the DRA for 2005 and all future years.

Municipality's Response: "Selectmen felt that the original contract for the revaluation with Patriot Properties included annual updates. However, we will pursue an annual contract with them and submit the information to the State as soon as the details are worked out."

C. EXEMPTIONS AND CREDITS:

PROCEDURES SUBSTANTIALLY COMPLY WITH APPLICABLE STATUTES AND RULES

C.1. ASB GUIDELINE: A periodic review should be done by the municipality of all exemptions and credits at least once every assessment review cycle. Municipalities scheduled for assessment review in 2004 should perform the review of all exemptions and credits by December 31, 2004.

C.2. ASB GUIDELINE: The municipality should have on file a current Form BTLA A-9, List of Real Estate and Personal Property on Which Exemption is Claimed, as described in Tax 401.04(b) for all religious, educational and charitable exemptions.

C.3. ASB GUIDELINE: The municipality should have on file a current form BTLA A-12, Charitable Organization Financial Statement, as described in Tax 401.01(c), for all charitable exemptions.

DRA Methodology: To determine whether Bartlett met these guidelines, the DRA conducted a random sampling of properties that had been granted a religious, educational, or charitable exemption. A review was then made of the records for those properties to determine if a current Form BTLA A-9 was on file, and in the case of a charitable exemption, if a current Form BTLA A-12 was on file. In addition, the DRA reviewed documentation supplied by the town personnel

to determine if exemptions and credits had been reviewed for this assessment review cycle and to insure that proper documentation existed to justify the exemption or credit granted. This documentation consisted of reviewing the PA 29s with notation of a date and initial by the Assessor for the review.

DRA Determination: Based upon our review, it appears that Bartlett does not review exemptions and credits. Several applications are not signed or have indications that town officials formally approved them. PA-33 forms were not filed for those properties listed under a trust. In addition, a review of the religious, educational, and charitable properties indicated that the current Form BTLA A-9 or Form BTLA A-12 were not on file. Bartlett does not appear to be in substantial compliance with these guidelines.

DRA Recommendation: For 2005 the town should review all exemptions and credits and re-qualify all those who are receiving a credit or exemption to be sure they still qualify. Form PA-33 needs to be filed for all properties listed under a trust. Properties receiving a credit should have applicants file as a spouse if the veteran has passed on. The town should require tax-exempt properties to file BTLA A-9 and A-12's if necessary for tax year 2005.

Municipality's Response: "**C-1** – ELDERLY: Town staff told DRA representatives that the Town had changed their Elderly Exemption qualifications and exemption amounts in 2003 and a letter was sent to all who currently were receiving the exemption to update their information (copy of that letter is attached as Addendum A). All new applicants that applied due to changing the parameters were obviously reviewed for compliance. We do have applicants complete the Form PA-33 if the property is in a trust, however, we do not have very many of those.

VETERANS: In 2004, the Town also changed its Veterans Credit from \$50 to \$300. Once a Veteran has qualified for the credit, his status would not change as far as qualifying service is concerned. The only thing that would change would be his residency. In the Patriot assessing system, if a change of ownership is made to an assessment card, the credits and exemptions do not transfer with the ownership change. Before submitting our annual Summary of Inventory to the State, we run a complete Exemptions/Credits list and review it for any property owners who may or may not qualify.

As far as signing of application forms, Town staff explained to DRA that some of the forms in the sample requested were not signed because they were done many years ago, the Selectmen did not sign them back then, and the property owners were long time residents who were known to Selectmen or staff to still be alive and still qualified. All applications within approximately the last 10 years were signed or initialed by the Selectmen.

C-2- We were not aware that the churches in town had to file a Form BTLA A-9 every year. These churches have been in existence in town "forever" and were not aware they had to file the form either. We have contacted them and they have filed the appropriate forms (copies attached as Addendum B).

C-3 - We do not believe we have any organizations that need to file a Form BTLA A-12 at this time but will require one should we have a charitable organization that qualifies."

D. ACCURACY OF DATA:

ASSESSMENTS ARE BASED ON REASONABLY ACCURATE DATA

D.1. ASB GUIDELINE: The municipality should have no material errors on at least eighty percent of the property record cards reviewed by the DRA. A material error is defined to be any error or combination of errors that results in a variance greater than 5% of the total assessed value of the property; and includes, but is not limited to:

- a. Mathematical miscalculations;
- b. Inconsistent land values without notation or documentation;
- c. Inconsistent depreciation without notation or documentation;
- d. Inconsistent neighborhood adjustments without notation or documentation;
- e. Market adjustments without notation or documentation;
- f. Acreage noted that does not match the tax map unless otherwise noted;
- g. Omission of data such as, but not limited to;
 - i. Addition of improvements;
 - ii. Removal of improvements;
 - iii. Conversion of improvements;
- h. Erroneous measurements resulting in a square foot variance of 10% or more of the primary improvement(s).

D.2. ASB GUIDELINE: The level of accuracy of the data elements should be determined by the DRA by comparing the information regularly collected by the municipality on a sample of property record cards with the actual property. Prior to commencement of the review process, the DRA should meet with the municipality's assessing officials to obtain an understanding of the municipality's data collection techniques used to determine value and the data elements regularly collected by the municipality that are included on the municipality's property record cards.

DRA Methodology: To determine if Bartlett's assessments were based on reasonably accurate data, the DRA conducted a random sampling of properties. A field review was conducted to compare the data on the property record cards with the actual property. Whenever possible, the DRA verified both the interior and exterior information. Of the properties sampled, all had the exterior reviewed, and a little less than half had interior inspections.

DRA verified the accuracy of the town's data in the two areas specified in the ASB guideline. First, the DRA checked for any material errors, or those errors resulting in a variance of greater than 5% of the total assessed value of the property. And second, the DRA verified the overall accuracy of all of the data elements regularly collected by Bartlett.

DRA Determination: The result of that review indicated that of the 35 property record cards in the sample there appeared to be 21 properties with material errors in excess of 5%, for 40.0% accuracy. It appears that Bartlett is not reasonably compliant with this guideline, as the accuracy is not within the guidelines set by the Assessing Standards Board.

As a matter of reporting only, the DRA found that of the property record cards reviewed in the field 82.86% had fewer than 5 data element discrepancies.

DRA Recommendation: The Town should review and update all the property record cards for tax year 2005.

Municipality's Response: "The DRA determination of 21 properties with material errors is not supported by the documents. The documents and previous statements indicate six (6) errors greater than 5%, not 21. One of these was 5.33%

General comment:

Many of the properties were condominiums and were commented on the worksheets as "no sketch". It is common practice to enter the square footage rather than the sketch for condos as it is not always possible to measure the units properly. Virtually every other building type is sketched. The sizes of the units can come from four sources:

1. Measurement
2. 'As Built' plans
3. MLS listing data
4. Square footages in deeds or other recorded documents

These sources almost always are in conflict so we used the sizes in recorded documents where available. If there is a guideline for the proper source for condo sizes, please let us know.

Sample 1 – We agree there may be a problem. We cannot determine where we got the 1,084 SF vs. the 914.44 SF so we will investigate and change for next year

Sample 5 – See above, same complex. We have 1084 vs. 1013.52

Sample 16 – See above, same complex. We have 1354 vs. 1600.14

Sample 26 – This was a section torn down after April 1, 2004. The DRA visit was in December. **Not a 5% error.**

Sample 33 – We agree there is no deck but the deck RCN was \$2,932 vs a total RCN of \$69,862 or 4.19% not 6.52% as indicated. These are quarter share condos so there are significant adjustments to the base RCN. The DRA should compare final depreciated answers or RCN answers and not mix the two in calculating error percent. **Not a 5% error.**

Sample 34 – This is a case of conflicting deed documents. The recorded instrument we used indicates 1,825 SF (see attached Addendum C) vs. the as built which show only the first floor area and state 2,131 SF. The units exceed permitted heights and were required to have lower roofs than originally planned so the second floor area may be less than the first floor. **Not a 5% error.**

Of the 40 properties submitted, we feel only 3 had errors exceeding 5% and ALL of those were in the same complex. This does not indicate a widespread problem but one isolated to a particular condo complex."

E. PROPORTIONALITY:

ASSESSMENTS OF VARIOUS TYPES OF PROPERTIES ARE REASONABLY PROPORTIONAL TO OTHER TYPES OF PROPERTIES WITHIN THE MUNICIPALITY.

E.1. ASB GUIDELINE: The municipality’s median ratio with a 90% confidence level for the following 3 strata should be within 5% of the overall median ratio (point estimate):

- a. Improved residential up to and including 4-family units;
- b. Improved non-residential;
- c. Unimproved properties.

E.2. ASB GUIDELINE: No ratio should be calculated for a particular stratum unless a minimum of 8 sales is available in that stratum. If no ratio has been calculated, the sales should not be collapsed into another strata.

E.3. ASB GUIDELINE: The DRA should calculate the municipality’s price related differential (PRD) with a 90% confidence level and report the PRD to the municipality and the ASB.

DRA Methodology: To determine compliance with these guidelines, the DRA relied on statistics from the 2004 Equalization Survey. (See Appendix D, 2004 Assessment Review Summary.)

DRA Determination:

2004 Improved Residential with Confidence Range:	Low 82.5	Median 84.3	High 86.2
2004 Improved Non-Residential with Confidence Range:	Low NA	Median NA	High NA
2004 Unimproved Property with Confidence Range:	Low 67.1	Median 73.1	High 80.5

It appears that Bartlett does comply with this guideline, as the median ratio with a 90% confidence interval for the calculated strata does fall within 5% of the overall median ratio of 83.4.

As a matter of reporting only, the PRD for Bartlett, using a 90% confidence level, shows a point estimate of 1.00 with a confidence interval from .99 to 1.02.

DRA Recommendation: None

Municipality’s Response: “We used sales from April 1, 2003 to April 1, 2004 as we were under the impression that the target assessment date was April 1st not September 30th. Our analysis showed a median of 95% not 84.3% as indicated by the October through September sales range used by the DRA. We will use the October through September sales range in the

future. We are curious as to how this is viewed by the DRA and BTLA and perhaps we should use the October – September sales range.

A further comment: How can the assessment ratio, determined in December or so by the DRA, be applied to the values sent out on the bills several months BEFORE the Town receives the ratio?”

APPENDIX A - ASSESSING STANDARDS BOARD GUIDELINES

- I. The following guidelines are recommended by the Assessing Standards Board (ASB) in accordance with the provisions of RSA 21-J:14-b and RSA 21-J:11-a. These guidelines will be used by the Department of Revenue Administration (DRA) to measure and analyze the political subdivision for reporting to the Municipality and the ASB. These guidelines assist the Commissioner to determine the degree to which assessments of a municipality achieve substantial compliance with applicable statutes and rules.
- II. Pursuant to laws of 2004, Chapter Law 307, section 5, “The general court recognizes all the work in creating a set of proposed standards for the certification of assessments. There is reason for concern, however, that these standards may have an inequitable impact on municipalities within the state due to differences between municipalities in such characteristics as size, parcel count, number of sales, and geographic location. Therefore, the general court finds that in order for the state to continue to implement fair and equitable assessing practices, it is necessary to further analyze the assessing practices of the state’s political subdivisions. This analysis can be accomplished by using the assessing standards board’s recommended standards as guidelines for a measurement tool, rather than as certification requirements, in the first 4 years of the process. The results of measuring these guidelines can then be analyzed for the state’s large and small political subdivision, with a report to be made to the municipalities and through the assessing standards board to the general court.”
- III. These guidelines address the five assessment areas the Commissioner may consider, which are specifically identified in RSA 21-J:11-a, regarding whether the:
 - A. Level of assessments and uniformity of assessments are within acceptable ranges as recommended by the Assessing Standards Board by considering, where appropriate, an assessment-to-sales-ratio study conducted by the department for the municipality.
 1. A median ratio should be between 0.90 and 1.10 with a 90% confidence level in the year of the review.
 2. An overall coefficient of dispersion (COD) for the municipality’s median ratio should not be greater than 20.0 without the use of a confidence interval.
 - B. Assessment practices substantially comply with applicable statutes and rules.
 1. All records of the municipality’s assessor’s office should be available to the public pursuant to RSA 91-A.
 2. Ninety-five percent of the property records in the sample reviewed by the DRA should reflect assessments of properties as of April 1, pursuant to RSA 74:1; and that a municipality should not assess parcels or new construction that did not exist as of April 1 of that tax year.
 3. A municipality should have a revised inventory program in place that addresses compliance with RSA 75:8, which provides that annually, and in accordance with

state assessing guidelines, assessors and selectmen shall adjust assessments to reflect changes so that all assessments are reasonably proportional within the municipality.

4. In accordance with RSA 31:95-a, a municipality's tax maps should:
 - a. Show the location of each property drawn to scale;
 - b. Be updated annually; and
 - c. Include an index of each parcel by the property owner's name and parcel identifier.
 5. Eighty-five percent of the current use property records in the sample reviewed by the DRA should have:
 - a. A timely filed Form A-10, Application for Current Use Assessment; (RSA 79-A:5 and Cub 302)
 - b. If applicable, a timely filed Form CU-12, Summary of Forest Stewardship Plan for Current Use Assessment; (RSA 79-A:5 and Cub 304.03)
 - c. Current use valuations assessed in accordance with Cub 304; and
 - d. A procedure to determine, prior to July 1 of each year, if previously classified land has undergone a change in use for purposes of assessing the Land Use Change Tax. (RSA 79-A:7)
 6. In accordance with RSA 21-J:11, all appraisal service contracts or agreements in effect during the assessment review year for tax assessment purposes should:
 - a. Be submitted to the DRA, prior to work commencing, as notification that appraisal work shall be done in the municipality; and
 - b. Include the names of all personnel to be employed under the contract.
- C. Exemption and credit procedures substantially comply with applicable statutes and rules;
1. A periodic review should be done by the municipality of all exemptions and credits at least once every assessment review cycle. Municipalities scheduled for assessment review in 2004 should perform the review of all exemptions and credits by December 31, 2004.
 2. The municipality should have on file a current Form BTLA A-9, List of Real Estate and Personal Property on Which Exemption is Claimed, as described in Tax 401.04(b) for all religious, educational and charitable exemptions.
 3. The municipality should have on file a current form BTLA A-12, Charitable Organization Financial Statement, as described in Tax 401.01(c), for all charitable

exemptions.

D. Assessments are based on reasonably accurate data; and

1. The municipality should have no material errors on at least eighty percent of the property record cards reviewed by the DRA. A material error is defined to be any error or combination of errors that results in a variance greater than 5% of the total assessed value of the property; and includes, but is not limited to:
 - a. Mathematical miscalculations;
 - b. Inconsistent land values without notation or documentation;
 - c. Inconsistent depreciation without notation or documentation;
 - d. Inconsistent neighborhood adjustments without notation or documentation;
 - e. Market adjustments without notation or documentation;
 - f. Acreage noted that does not match the tax map unless otherwise noted;
 - g. Omission of data such as, but not limited to;
 - i. Addition of improvements;
 - ii. Removal of improvements;
 - iii. Conversion of improvements;
 - h. Erroneous measurements resulting in a square foot variance of 10% or more of the primary improvement(s).
2. The level of accuracy of the data elements should be determined by the DRA by comparing the information regularly collected by the municipality on a sample of property record cards with the actual property. Prior to commencement of the review process, the DRA should meet with the municipality's assessing officials to obtain an understanding of the municipality's data collection techniques used to determine value and the data elements regularly collected by the municipality that are included on the municipality's property record cards.

E. Assessments of various types of properties are reasonably proportional to other types of properties within the municipality.

1. The municipality's median ratios with a 90% confidence level for the following 3 strata should be within 5% of the overall median ratio (point estimate):
 - a. Improved residential up to and including 4-family units;

- b. Improved non-residential; and
 - c. Unimproved property.
 - 2. No ratio should be calculated for a particular stratum unless minimums of 8 sales are available in that stratum. If no ratio has been calculated, the sales should not be collapsed into another strata.
 - 3. The DRA should calculate the municipality's price related differential (PRD) with a 90% confidence level and report the PRD to the municipality and the ASB.
- IV. Property sales utilized in the DRA's annual assessment ratio study conducted for equalization purposes should be used to calculate the median ratios, CODs, and PRDs under guidelines (A) and (E) above. The ratio percentages should be rounded to 3 places. The sample size of the ratio study should contain at least 2% of the total taxable parcels in a municipality; and have a total of at least 8 sales. Alterations to property sales may be based upon documentation submitted by the municipality such as, but not limited to:
- A. Sales involving an exchange of property for boundary line adjustments; and
 - B. Sales of personal property included in the sale; and
 - C. Sales of properties located in more than one municipality.
- V. In accordance with RSA 21-J:14-b, II, these guidelines will be reviewed and updated annually. Minutes of the ASB along with meeting and forum schedules may be found at the Department of Revenue Administration website.

APPENDIX B - Assessment Review Municipalities for Tax Year 2004

Andover	Holderness
Antrim	Hopkinton
Ashland	Hudson
Bartlett	Jackson
Bennington	Manchester
Brentwood	Milton
Campton	Peterborough
Canaan	Pittsburg
Candia	Plainfield
Chatham	Plymouth
Colebrook	Randolph
Conway	Richmond
Cornish	Roxbury
Dorchester	Rumney
Dover	Sharon
Dublin	Somersworth
Dummer	Stark
East Kingston	Stoddard
Enfield	Strafford
Fitzwilliam	Sullivan
Francestown	Surry
Freedom	Swanzey
Gilford	Tamworth
Gilmanton	Temple
Gilsum	Thornton
Gorham	Tilton
Greenfield	Troy
Hancock	Unity
Hill	Warren
	Wentworth

APPENDIX C - GLOSSARY

ASB – Assessing Standards Boards established under RSA 21-J:14-a.

Assessment Review Year - The property tax year set by the department for which a municipality's assessment review shall occur.

BTLA – Board of Tax and Land Appeals

Coefficient of Dispersion (COD) - A measure of assessment equity that represents the average absolute deviation of a group of ratios from the median ratio expressed as a percentage of the median.

Confidence Interval - The range established by electronic means within which one can conclude a measure of population lies.

Confidence Level - The required degree of confidence in a statistical test or confidence interval.

DRA - The New Hampshire Department of Revenue Administration.

ESB – Equalization Standards Boards established under RSA 21-J:14-c.

Level of Assessment - The overall ratio of appraised values of properties to market value of properties.

Mean Ratio - The result reached after the sum of all ratios is divided by the total number of ratios.

Median Ratio - The middle ratio when a set of all ratios is arranged in order of magnitude.

Point Estimate (of the Median Ratio) - A single number that represents the midpoint, or middle ratio, when the ratios are arrayed in order of magnitude.

Price Related Differential (PRD) - A measure of the differences in the appraisal of low value and high value properties in assessments, as calculated by dividing the mean ratio by the weighted mean ratio.

Ratio Study - The study of the relationship between appraised or assessed property values and the current market value of the properties.

Strata - A division of properties into subsets for analysis.

Uniformity of Assessments - The degree to which assessments bear a consistent relationship to market value.

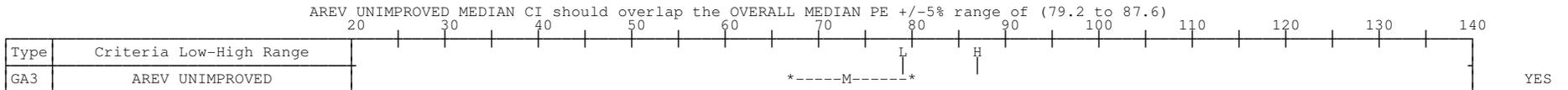
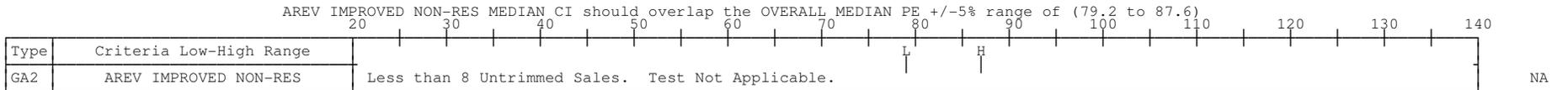
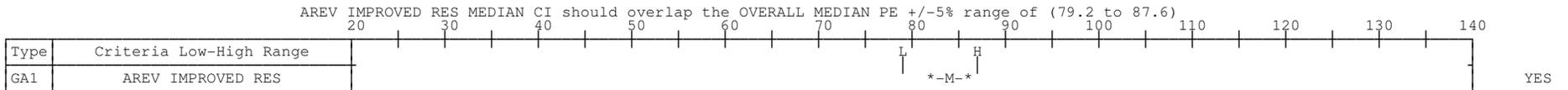
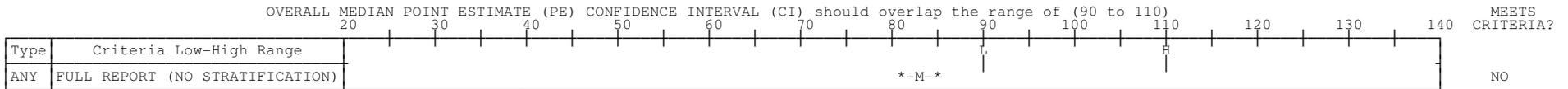
Weighted Mean Ratio - The result reached when the sum of all appraised values is divided by the sum of all sale prices.

APPENDIX D – EQ SUMMARY

New Hampshire Department of Revenue Administration
2004 Assessment Review Summary
BARTLETT
(FINAL DRA version)

Type	Description	Low Median Ratio	90%CI Median Ratio	High Median Ratio	Low PRD	90%CI PRD	High PRD	Coefficient of Dispersion	# Untrimmed Sales
ANY	FULL REPORT (NO STRATIFICATION)	81.4	83.4	85.5	.99	1.00	1.02	14.8	291
GA1	AREV IMPROVED RES	82.5	84.3	86.2	1.01	1.02	1.02	12.7	245
GA2	AREV IMPROVED NON-RES	NA	101.2	NA	NA	1.16	NA	30.3	4
GA3	AREV UNIMPROVED	67.1	73.1	80.5	.96	1.06	1.18	31.8	45
GA4	AREV MISCELLANEOUS	NA	NA	NA	NA	NA	NA	NA	NA

MEDIAN TESTS FOR OVERALL & STRATA



The Full Report (overall) COD should be 20.0 or below. IS IT?	YES
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HAVE ALL CRITERIA ABOVE THIS LINE BEEN MET?	NO
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PRD TEST FOR OVERALL

